

**MINUTES OF THE
BUDGET COMMITTEE**

TUESDAY, JANUARY 8, 2008

At a **Special Meeting** of the **Budget Committee**, held Tuesday, January 8, 2008, in the Board Room, on the 9th Floor of the Administration Building, Mount Clemens, the following members were present:

Brown-Chair, Brdak, Bruley, Camphous-Peterson, Crouchman, DeSaele, DiMaria, Doherty, Drolet, D. Flynn, J. Flynn, Gielegghem, Haggerty, Lund, Mijac, Rengert, Roberts, Rocca, Sauger, Slinde, Switalski, Szczepanski, Tocco, Torrice and Vosburg.

Absent and excused was Duzyj.

There being a quorum of the committee present, Chair Brown called the meeting to order at 9:02 a.m.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

AGENDA

MOTION

A motion was made by Szczepanski, supported by Rocca, to adopt the agenda, as presented. **The Motion Carried.**

MINUTES

MOTION

A motion was made by Szczepanski, supported by Vosburg, to approve the November 9 and November 13, 2007 minutes of this committee, as written. **The Motion Carried.**

REVIEW THE DEPARTMENTAL EXPENDITURE REDUCTIONS AND REVENUE ENHANCEMENTS AS OUTLINED IN THE ATTACHED MEMORANDUM FROM MR. DAVID DIEGEL DATED JANUARY 2, 2008

Mr. Foster stated that they went through the responses from the departments and analyzed it. A lot of the dollars do not match what the departments said that they could reduce, because he is looking for real dollars. Some of the things that departments want to give up might have been vacant positions. He said that they already deleted the dollars.

Before the start of Mr. Foster's review of Exhibit I, he informed commissioners that subsequent to this he received some other information from other departments that will be brought forth to another meeting. He needs to analyze this information to his satisfaction. He said that he would explain those departments as he gets to them during his overview.

Referring to information that was provided in committee packets, Mr. Foster said that he attached as much information that he received from the departments, which consisted of raw data.

Mr. Foster gave a review of Exhibit I, which consisted of two pages. He went through the entire schedule department-by-department and explained what their process was. During his overview, he noted that he put the Road Commission in this exhibit, which was an error. (Note: There were no dollars listed for the Road Commission)

Referring to page two of Exhibit I, new revenues will generate \$326,642 and reduced expenses will amount to \$1,124,621, for a total of \$1,451,263.

Questions were directed to Mr. Mellen about his working with the Register of Deeds to consolidate the entry of information (names and addresses) to eliminate that duplication of work.

Commissioner Doherty asked if anyone was present representing Building Safety (Blue Coats). No one was present. Exhibit I indicated a reduction of \$30,000, with the notation: Close 1st Floor Administration Building. Commissioner Rengert said that the \$30,000 cut does not represent closing that entrance yet. It will be reviewed at the Justice and Public Safety Committee meeting on January 14th. The Sheriff will make a presentation at that time, along with the Blue Coats. They will have locations of Blue Coats, the budget amounts, and also Risk Management will be there to review the pros and cons of reduction of Blue Coats. His understanding was the \$30,000 is what they could absorb in operating costs.

Questions were directed to Ms. Zerkowski about Telecommunications/Repairs Charges. Exhibit I indicated a reduction of \$86,000, with the notation: Reduce cell phone costs per IT Director, if approved.

Questions were directed to Ms. Zerkowski about the IT Capital Improvement Fund. Exhibit I indicated a reduction of \$50,000, with the notation: Reduce Computer Equipment Replacement.

Questions were directed to Ms. Willis about Senior Citizen Services. Exhibit I indicated a proposal to enhance revenue of \$110,000 by increasing rates for Adult Day Care, per director. During discussion, Ms. Willis noted that this proposal does not include potential for a veteran's administration contract nor does it represent running at full capacity.

Questions were directed to Mr. Cassin about Planning. Exhibit I indicated a proposal to enhance revenue of \$75,000, with the notation: From Block Grant to pay for Program Manager. A discussion ensued with Mr. Cassin about his proposal (that was not included in Exhibit I) to not fill a GIS Data Specialist vacancy. During discussion, inquiries were directed to Mr. Foster pertaining to this vacancy.

Questions were directed to Mr. Foster about the Law Library. Exhibit I indicated a reduction of \$5,850, with the notation: Reduce operating. During discussion, inquiries were directed to Mr. Beasley.

Questions were directed to Mr. Foster about the Department of Human Services (FIA). Exhibit I did not list any dollar figures. Mr. Foster overviewed the letter from Mr. Angelo Nicholas that was included in committee packets.

Questions were directed to Mr. Kalkofen about the Health Department. Exhibit I indicated a reduction of \$60,000, with the notation: Service reduction. Commissioner Roberts directed questions to Mr. Kalkofen about the portion of his letter that referred to Reduce Overtime (\$10,000); specifically, eliminate evening clinic hours, eliminate support to Water Quality Board, and eliminate administrative support to Environmental Problems: Lake/River Fund.

Questions were directed to Mr. Foster about Equalization. Exhibit I did not list any dollar figures. Inquiry was made as to why no money adjustment was made for Equalization, even though they are eliminating a position. Mr. Foster said that they did not put any money for that position in the budget.

Questions were directed to Mr. Diegel and Mr. Foster about the Finance Department. Exhibit I did not list any dollar figures. Inquiry was made about the memo from Finance that they have four vacant positions that they are going to pledge to keep open throughout 2008 and not fill them.

COMMITTEE RECOMMENDATION – MOTION

A MOTION WAS MADE BY VOSBURG, SUPPORTED BY GIELEGHEM, TO RECOMMEND THAT THE BOARD OF COMMISSIONERS ACCEPT THE REVENUE AND EXPENDITURE CHANGES TOTALING \$1,451,263 AS OUTLINED ON EXHIBIT I AND REQUEST THAT THE DEPARTMENT HEADS VERIFY WITH THE FINANCE DEPARTMENT THE LINE ITEMS IN THEIR BUDGET THAT WOULD BE CHANGED. FURTHER, TO AUTHORIZE MR. SEIDELMAN TO GO OUT FOR A RFP TO OUTSOURCE LAUNDRY.

A **friendly amendment** by Commissioner Doherty was accepted as follows: “THAT MARTHA T. BERRY AND THE JAIL BE INCLUDED IN THE RFP TO OUTSOURCE THE LAUNDRY.”

Commissioner Bruley questioned if this would involve laying off people. Mr. Seidelman said that both people who currently do laundry used to be direct care workers and their intent would be to have them apply and become direct care workers and be able to absorb them within the facility. Commissioner Bruley felt as long as that is a condition accepted in the minutes or something that we are not -- he does not want to begin any process that outsources by layoffs until commissioners look at everything.

During discussion, Mr. Diegel said that he would send a communication to Martha T. Berry and to the Jail asking for feedback on the possibility of piggybacking on this RFP.

Commissioner Vosburg wanted to **separate out the laundry issue** from her motion, so commissioners can proceed with the budget line items.

Chair Brown informed commissioners that the **laundry issue was pulled out of the motion.**

Commissioner Gielegheem moved that all of these items with dollar amounts be separated out and voted individually. Chair Brown ruled that adoption of Exhibit I would be voted on in its entirety.

Commissioner Roberts asked to **separate** the Health Department. Specifically, Reduce Overtime (\$10,000).

Commissioner DeSaele spoke against the Information Technology Department taking money out of the Health Department budget without them knowing about it and without discussing it with them.

Chair Brown called for a vote to **approve Exhibit I, except the line item on the Health Department budget, and THE MOTION CARRIED.**

Chair Brown informed commissioners that they were now on the **separated item:**

Health Department

There were no questions asked.

Chair Brown called for a vote on the **separated item (Health Department) and THE MOTION CARRIED WITH DeSAELE AND ROBERTS VOTING "NO."**

Chair Brown called for a motion on the laundry issue.

MOTION

A motion was made by Doherty, supported by Joan Flynn, to direct the Finance Director to coordinate with Martha T. Berry, the Jail, possibly the Health Department, and the Juvenile Justice Center to see if a laundry solution could be put together and be brought back to the Board for review.

A discussion ensued with Mr. Foster and Mr. Seidelman.

Chair Brown called for a vote on the motion and **The Motion Carried with David Flynn, Gielegghem, Roberts and Torrice voting “No.”**

NEW BUSINESS

A discussion ensued with Mr. Diegel about the remaining deficit balance of \$5.2 million.

Commissioner Lund said that the Information Technology Department had informed him that the wireless connection is now hooked up in the Board Room.

ADJOURNMENT

MOTION

A motion was made by Haggerty, supported by Camphous-Peterson, to adjourn the meeting at 10:40 a.m. **The Motion Carried.**

Denise M. Jacks
Committee Reporter